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KPMG report: Accounting and reporting impacts of CARES Act

The “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act)—enacted into law on 27 March 2020—includes many provisions that could significantly affect the financial reporting of companies applying U.S. GAAP.

The CARES Act is, in general, a current reporting period event for annual and interim reporting periods ending on or after March 27, 2020, and a nonrecognized subsequent event for annual and interim reporting periods ending before that date.

The CARES Act includes, among other items, measures concerning income tax, payroll tax credits, and loan programs. Many of the CARES Act’s requirements are subject to further clarification (e.g., from the Secretary of the Treasury with respect to minimum requirements and application process for certain loan programs).

Read an [April 2020 report](#) [PDF 214 KB] (18 pages) prepared by KPMG LLP that includes discussions of the primary accounting and reporting impacts of provisions in the CARES Act as currently understood.

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